

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

THE NOTICE OF PURCHASED)	
GAS ADJUSTMENT FILING OF)	CASE NO. 9911-I
PHELPS GAS COMPANY, INC.)	

O R D E R

On October 9, 1987, the Commission issued its Order in Case No. 9911 approving certain adjustments in rates and providing under certain conditions for the further adjustment of such rates when the wholesale cost of gas is increased or decreased or a refund is received.

On September 17, 1990, Phelps Gas Company, Inc. ("Phelps") notified the Commission that its wholesale cost of gas would be decreased by its supplier, Columbia Gas of Kentucky, Inc. ("Columbia"), effective September 1, 1990, and submitted with its notice certain information in compliance with its purchased gas adjustment clause on file with this Commission.

After reviewing the record in this case and being otherwise sufficiently advised, the Commission finds that:

1. Phelps' notice of September 17, 1990 set out certain revisions in rates which Phelps proposed to place into effect, said rates being designed to pass on the wholesale decrease in price from its supplier in the amount of \$6,817 or 40.79 cents per Mcf.

2. Phelps' wholesale cost of gas was decreased by Columbia effective September 1, 1990.

3. Phelps should file with this Commission the amount of any overcollections received from September 1, 1990 to the date the approved rates are implemented, along with a refund plan.

4. Phelps' adjustment in rates under the purchased gas adjustment provision approved by the Commission in its Order in Case No. 9911 dated October 9, 1987 is fair, just, and reasonable, in the public interest, and should be effective with gas supplied on and after September 1, 1990.

IT IS THEREFORE ORDERED that:


1. The rates in the Appendix, attached hereto and incorporated herein, are fair, just, and reasonable and are approved effective with gas supplied on and after September 1, 1990.

2. Within 30 days of the date of this Order, Phelps shall file with this Commission its revised tariffs setting out the rates authorized herein.

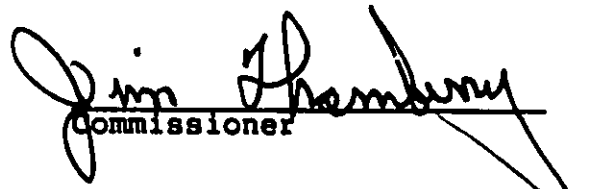
3. Within 30 days of the date of this Order, Phelps shall file the amount of excess revenues collected, along with a refund plan.

Done at Frankfort, Kentucky, this 3rd day of October, 1990.

PUBLIC SERVICE COMMISSION


Chairman


Vice Chairman


Commissioner

ATTEST:


Executive Director

APPENDIX

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE COMMISSION IN CASE NO. 9911-I DATED October 3, 1990.

The following rates are prescribed for the customers served by Phelps Gas Company, Inc. All other rates and charges not specifically mentioned herein shall remain the same as those in effect under the authority of the Commission prior to the effective date of this Order.

RATES: Monthly

First 1 Mcf	\$7.5090 Minimum Bill
Over 1 Mcf	5.8426 Per Mcf

The base rate for the future application of the purchased gas adjustment clause of Phelps Gas Company, Inc. shall be:

	<u>Commodity</u>
Columbia Gas of Kentucky, Inc.	\$3.3029 per Mcf